

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, DC 20554

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In the Matter of )  
Implementation of Section 621(a)(1) of )  
the Cable Communications Policy Act of 1984 ) MB Docket No. 05-  
311  
as amended by the Cable Television Consumer )  
Protection and Competition Act of 1992 )

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**COMMENTS OF QUOTE...UNQUOTE, INC.**

These Comments are filed by Quote...Unquote, Inc. in support of the comments filed by the Alliance for Community Media ("Alliance"), the Alliance for Communications Democracy, the National Association of Telecommunications Officers and Advisors ("NATOA"), and other national local government organizations. Like the Alliance, Quote...Unquote, Inc. believes that local governments can issue an appropriate local franchise for new entrants into the video services field on a timely basis, just as they have for established cable services providers. In support of this belief, we wish to inform the Commission about the benefits of cable franchising and the Public, Educational, and Government Access ("PEG") services in our community.

**Cable Franchising in Our Community**

**Community Information**

Albuquerque is a city with a population of 550,000. Our franchised cable provider is Comcast Cable. Our community has negotiated cable franchises since 1985.

**Our Current Franchise**

Our current franchise began on July 1, 2002 and expires on June 30, 2017.

Our franchise requires the cable operator to pay a franchise fee to the city in the amount of 5% of the cable operator's gross revenues. The revenues for franchise fee purposes are calculated based on the gross revenues of the operator, in accordance with the Federal Cable Act.

Our franchise requires the cable operator to provide the following capacity for public, educational, and/or governmental ("PEG") access channels on the cable system. We currently have 1 channel devoted to public access; 1 channel devoted to educational access; and 1 channel devoted to government access. There are provisions in the franchise agreement for an additional 6 PEG channels beginning in 2005. The distribution of channels between public, educational and government access is to be determined by the city. Starting in 2007 the cable operator, Comcast, is to begin the transition to a digital system with the PEG channels available in a digital format.

Our franchise requires that our PEG channels be supported in the following ways by the cable operator: At the beginning of the franchise Comcast was required to pay an up front grant of \$1.2 million for PEG support. In addition, Comcast pays 44 cents per subscriber per month into a fund for the support of public, educational and government access as well as for the construction of an Institutional fiber optic Network. Currently that amounts to between \$550,000 and \$600,000 per year within a city that is rapidly expanding. This iPEG money is used primarily for equipment and facilities but has also been used for operations. This later usage is voluntary on the part of the cable provider. An additional agreement between the city and Comcast calls for the cable company to facilitate publicity for the PEG channels through its cable system up to a value of \$400,000 during the life of the agreement.

The 44 cents per subscriber per month has been used to build out a facility for the public access operation, connect public venues to the Institutional Network and provide equipment for the PEG channels. The money is given to the city by the cable provider each quarter and then divided by the city amongst the iPEG

Our franchise contains the following institutional network ("I-Net") requirements:

Up to 75 sites linking the City of Albuquerque, the University of New Mexico, the Community College, the State of New Mexico, County of Bernalillo and the PEG channels to the network. The City pays for construction of the I-Net sites while the cable operator carries out the construction using an actual cost formula for new sites and an incremental cost structure for using existing fiber (per fiber, per mile). The network is currently under construction.

The I-Net facilities will be used in the following ways: To connect government and educational institutions, PEG channels to a system that can be utilized for various services that include telecommunications, two-way video feeds for transmitting PEG programming to and from various venues in the city. Among initial users will be the Albuquerque Police Department, and the Albuquerque Fire Department. Other facilities will be large public venues for sports and cultural events.

Our franchise contains the following requirements regarding emergency alerts: The cable operator must install and maintain an emergency alert system

complying with FCC standards that can override audio and video signals on all channels including PEG channels. These emergency alert requirements provide an important avenue of communication with our residents in the event of an emergency

### **PEG Access Services**

Quote...Unquote, Inc. has provided access services in our community for 25 years. The number of access channels we operate is currently one, but expected to increase to at least one additional channel. In our most recently completed fiscal year, Quote...Unquote, Inc. provided 3649 hours of **new original local programming** to the cable subscribers. Over 4500 hours of total video programming was cablecast. In addition, over 3400 hours of community announcements for non-profit and governmental agencies were cablecast during the past year. The community used our equipment and facility 2561times for over 10,000 hours of use. Quote...Unquote, Inc. currently has 439 active producers. Quote...Unquote, Inc. trains hundreds of community residents in television production each year. Below are the highlights of our services to the community.

- Video bulletin board with text and graphics for community announcements.
- Professional video and film edit training in conjunction with Apple Computer Pro-Training program.
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- Coverage of community forums, town hall meetings, and neighborhood board meetings.
- Community-produced television programming for special interests (such as - seniors, non-English-speaking, ethnic and cultural groups, youth, people with disabilities, advocacy groups, health care, political candidates debates and forums, religious services for shut-ins, live call-in shows on community issues, coverage of the state legislature, coverage of town forums held in conjunction with FCC members to gather input, school events and activities that are part of the curriculum, live music, poetry slams and local news magazine programs.
- Staff-produced television programming on topics of interest to the local community.
- Dedicated channel capacity specifically for non-profit organizations to air locally-produced programming.
- Dedicated channel capacity specifically for religious organizations to air locally-produced programming.

- Hotline studios for live, interactive programs that allow local experts to answer viewer questions.
- Local news coverage (not on local broadcast stations).
- Grants to produce community programming.
- Media literacy and production training for neighborhood based community organizations and individuals.
- Video production courses.
- Video production facilities including studio, field, editing.
- Support to Media Training Centers in local schools, enhancing learning opportunities for students.
- Satellite program reception and redistribution.
- Technical design, installation, and maintenance support.
- Open mic format service such as a free speech soap box.
- Local political coverage, candidate platform statements and candidate debates during campaign season.
- Distribution of community college and university educational programming.
- Computer literacy training for youth and families.
- Unique non-local programming available via satellite feed.
- Gavel-to-gavel coverage of local government meetings/hearings and other select "local" governmental proceedings.

### **The Franchising Process**

The cable system(s) serving our community also serves many adjoining communities: The “East Mountains”, Los Lunas, Belen, Corrales, Placitas and Bernalillo..

Under the law, a cable franchise functions as a contract between the local government (operating as the local franchising authority) and the cable operator. Like other contracts, its terms are negotiated. Under the Federal Cable Act it is the statutory obligation of the local government to determine the community's cable-related needs and interests and to ensure that these are addressed in the franchising process – to the extent that is economically feasible. However derived (whether requested by the local government or offered by the cable operator), once the franchise is approved by both parties the provisions in the franchise agreement function as contractual obligations upon both parties.

## **Conclusions**

This NPRM is only looking retrospectively at one aspect of the franchising process. We believe that the Commission must look to the future of the public's interest in telecommunication's services. The existing franchising process has provided a basis for public interest services appropriately tailored to each community's local needs. We believe that those services such as PEG should be required of all broadband telecommunications providers.

The local cable franchising process has functioned well in Albuquerque. As the above information indicates, we are experienced at working with cable providers, the local franchise authority, and community interests to both see that the needs of the local community are met and to ensure that the practical business needs of cable providers are taken into account.

Local cable franchising ensures that local cable operators are allowed access to the rights of way in a fair and evenhanded manner, that other users of the rights of way are not unduly inconvenienced, and that uses of the rights of way, including maintenance and upgrade of facilities, are undertaken in a manner which is in accordance with local requirements. Local cable franchising also ensures that our local community's specific needs are met and that local customers are protected.

Local franchises can also ensure that the cable operator provides the PEG Access services which are responsive to the local community needs as determined through community needs assessments and the local knowledge of educators, local elected officials and local nonprofit organizations.

Local franchises thus provide a means for local government to appropriately oversee the operations of cable service providers in the public interest, and to ensure compliance with applicable laws. There is no need to create a new Federal bureaucracy in Washington to handle matters of primarily local interest.

Local franchises allow each community, including ours, to have a voice in how local cable systems will be implemented and what features (such as PEG access,

institutional networks or local emergency alerts, etc.) will be available to meet local needs. These factors are equally present for new entrants as for existing users.

Quote...Unquote, Inc. therefore respectfully requests that the Commission take this opportunity to reaffirm the primacy of local government authority over franchising and should make clear that imposition on a new entrant of PEG Access, consumer protections and other public interest services requirements that are equivalent to those of the incumbent does not constitute an unreasonable refusal to award an additional competitive franchise within the meaning of federal law..

The PEG Access model should be strengthened and applied to new technologies, assuring that localism and community participation are not displaced by commercial interests.

The nation would be well served by a policy of “Community Reinvestment” through PEG Access that includes funds and bandwidth and/or spectrum that will be used for public purposes by:

1. Allowing the local community which owns the public rights-of-way to franchise and determine the best use of the community’s property;
2. Dedicating ten percent of the public airwaves and capacity on communication facilities that occupy public rights-of-way to PEG use for free speech, diverse points of view, local programs, community based education and political speech;
3. Mandating funding of five percent of gross revenues above and beyond any franchise fee to local authorities from all infrastructure and service providers and spectrum licensees to support PEG equipment, facilities, training and services; and,
4. Making PEG Access universally available to any consumer of advanced telecommunications services capable of full-motion video.

Respectfully submitted,

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